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BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-275-WS

IN RE: Application of Carolina Water Service, Inc. for an Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service))))))) _____)	REBUTTAL TESTIMONY OF KAREN SASIC
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2 **Q. ARE YOU THE SAME KAREN SASIC THAT HAS PREFILED DIRECT**
3 **TESTIMONY IN THIS CASE?**

4 **A.**Yes, I am.

5 **Q. WHAT IS THE PURPOSE OF YOUR REBUTTAL TESTIMONY IN THIS**
6 **PROCEEDING?**

7 **A.**The purpose of my rebuttal testimony is to respond on behalf of Carolina Water
8 Service, Inc. (CWS) to the testimony of ORS witness Willie J. Morgan and the testimony
9 of Reid Radtke.

10 **Q. HAVE YOU REVIEWED THE PRE-FILED TESTIMONY OF MR. WILLIE**
11 **MORGAN ON BEHALF OF ORS IN THIS MATTER?**

12 **A.**Yes, I have reviewed his testimony.

13 **Q. IN HIS TESTIMONY, MR. MORGAN STATES CWS CHARGED FIFTEEN**
14 **CUSTOMERS A METER BOX FEE OF \$170 EACH DURING THE TEST YEAR.**
15 **HAS THE COMPANY REFUNDED THOSE CUSTOMERS WHO WERE**
16 **INADVERTENTLY CHARGED THIS FEE?**

1 A. Yes, we have refunded those customers who were inadvertently charged a meter
2 box fee. Rebuttal Exhibit KLS-1 provides the fifteen accounts charged and indicates in
3 the area circled in red that those adjustments have been canceled.

4 **Q. HAVE YOU REVIEWED THE PRE-FILED TESTIMONY OF MR. REID**
5 **RADTKE?**

6 A. Yes, I have reviewed his testimony.

7 **Q. WHAT IS HOMESERVE?**

8 A. HomeServe is a company that offers insurance coverage to CWS customers for
9 damage which may occur to their water service lines. Customers are typically
10 responsible for their service lines from the point of our connection. HomeServe offers
11 coverage if repair of the line is required. Utilities, Inc. has allowed HomeServe to offer
12 our customers optional coverage on their water and wastewater lines when unexpected
13 breaks or problems occur in the customer's line. Customers are responsible for water and
14 wastewater lines on their property from the point of utility connection up to and inside
15 their home. HomeServe provides optional coverage toward the repair and/or replacement
16 of the line including service calls, labor, materials and basic restoration up to the
17 coverage limits. Customers have the option to enroll with HomeServe. Likewise,
18 customers may opt out of receiving the marketing materials by contacting CWS or
19 HomeServe.

20 **Q. DOES CWS OR ITS PARENT COMPANY, UTILITIES, INC., OWN**
21 **HOMESERVE?**

22 A. No, they do not.
23

1 **Q. IN HIS TESTIMONY, MR. RADTKE STATES HE FILED A BETTER BUSINESS**
2 **BUREAU (BBB) COMPLAINT REGARDING MARKETING MATERIALS HE**
3 **RECEIVED FROM HOMESERVE. ARE YOU FAMILIAR WITH THE**
4 **REFERENCED COMPLAINT?**

5 **A.** Yes, I am familiar with the BBB complaint that he filed in August 2013. In the
6 complaint, Mr. Radtke expressed his dissatisfaction with receiving the marketing
7 materials from HomeServe. He indicated he contacted HomeServe on several occasions
8 requesting to be removed from their mailing list yet he continued to receive materials
9 from them.

10 **Q. WAS CAROLINA WATER SERVICE, INC. (CWS) AWARE OF THE**
11 **REQUESTS BEING MADE BY MR. RADTKE TO HOMESERVE?**

12 **A.** No. CWS was unaware of the requests being made by Mr. Radtke until we
13 received the BBB complaint.

14 **Q. WHAT STEPS WERE TAKEN ONCE CWS WAS NOTIFIED THAT MR.**
15 **RADTKE WISHED TO BE EXCLUDED FROM FUTURE MAILINGS BY**
16 **HOMESERVE ON THEIR OPTIONAL LINE COVERAGE?**

17 **A.** CWS took immediate action to add an alert to his account which prevents his
18 address from receiving future marketing materials. In addition, we immediately notified
19 HomeServe to update their records to prevent any mailings that were in the process of
20 being sent.

21 **Q. CAN YOU PROVIDE AN EXAMPLE OF THE MARKETING MATERIALS**
22 **SENT BY HOMESERVE TO CWS CUSTOMERS?**

1 A. Yes, please see attached Rebuttal Exhibit KLS-2 for an example of marketing
2 materials sent in October 2013 to customers.

3 Q. **DOES THIS CONCLUDE YOUR TESTIMONY?**

4 A. Yes.

EXHIBIT KLS-1

Rebuttal Testimony of Karen Sasic

Docket No. 2013-275-WS

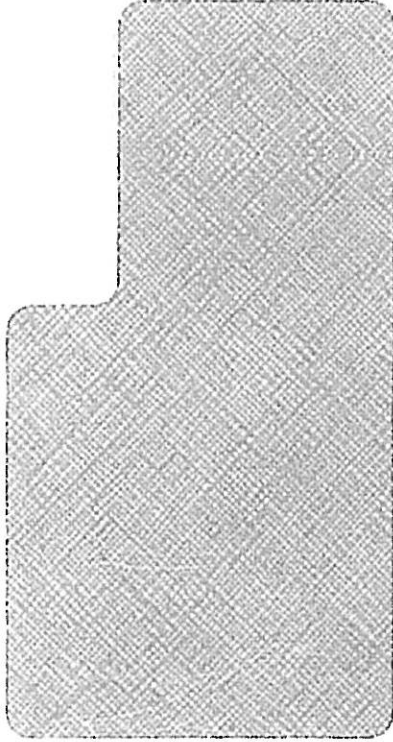
CONFIDENTIAL

Exhibit KLS-1
is confidential &
filed under seal

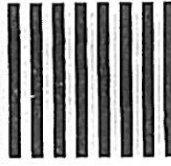
EXHIBIT KLS-2

IF POSTED
U.S. POSTAGE
PAID
MAILED FROM
ZIP CODE 15071
PERMIT NO. 5003

INFORMATION FROM HOMESERVE FOR
UTILITIES, INC. CUSTOMERS



NO POSTAGE
NECESSARY
IF MAILED
IN THE
UNITED STATES



BUSINESS REPLY MAIL

FIRST-CLASS MAIL PERMIT NO. 387 LANCASTER PA

POSTAGE WILL BE PAID BY ADDRESSEE

PLAN ADMINISTRATOR
PO BOX 4032
PORTLAND ME 04101-9817





A message from Utilities, Inc.

At Utilities, Inc., we value our customers, which is why we are passing along the enclosed information from HomeServe about protecting yourself from unexpected repair costs. HomeServe is an independent company and premier provider of emergency home repair services, providing over 1,000,000 homeowners across the U.S. with service and repair plans. The enclosed information outlines the protection and savings available to Utilities, Inc. customers.

If you have any questions about the program, please call HomeServe toll-free at 1-888-300-4513 or visit their secure website at www.Ulplans.com.

Response Requested Within:
30 Days

RECEIVED
OCT 21 2013



Post and affix this label.

1310SUIZHANVU-C09S
MS. KAREN SASIC
200 WEATHERSFIELD AVE
ALTAMONTE SPRINGS, FL 32714

33



Date:	10/11/13
Status:	Not Covered

**** ATTENTION – Utilities, Inc. Customers ****

Dear Karen Sasic,

Your property at 1001 HomeServe Ave has appeared in a review of our records for Anytown and we have found that your exterior water line is not covered with Water Service Line Coverage from HomeServe.

The water service line buried underground on your property could fail without warning, leaving you responsible for the cost of repair. Repair or replacement of the line can be expensive—costing you thousands of dollars in unforeseen expenses—which could burden finances in these difficult economic times.

Protection is available to Anytown homeowners. As a Utilities, Inc. customer, your first year of Water Service Line Coverage is available at the introductory rate of only \$2.99 per month – 50% off the regular price of \$5.99.

Coverage Amount:	\$7,000 Annual Benefit
	\$3,500 per call (2 calls/year)
Monthly Rate:	\$2.99
Property Address:	1001 HomeServe Ave
	40 Complete Coverage
City:	Anytown

*** * * Important * * ***

Take action to protect the buried water line on your property. Complete and return the enclosed form—remember to affix your address label—or call 1-888-300-4513 to accept this *optional* coverage. For fastest processing, use our secure website at www.UPlans.com.

Please respond before November 15, 2013.

HomeServe

HomeServe USA Repair Management Corp. ("HomeServe") is an independent company separate from Utilities, Inc. and offers this optional service as an authorized representative of AMT Warranty Corp., the contract issuer. Your choice of whether to participate in this service plan will not affect the price, availability or terms of service from Utilities, Inc. HomeServe's corporate offices are located in Stamford, CT.

Questions & Answers

What am I responsible for?
As a homeowner, you are responsible for the water service line on your property, from the water company's connection to the point of entry into your home. In some towns, the service line beyond the property boundary to the main connection may remain the homeowner's responsibility but is not included in this coverage.

Does my homeowners insurance cover this?
Most basic homeowners insurance policies do not cover repair or replacement of the water service line. If you find you have similar coverage, you can contact HomeServe to cancel and you will receive a pro-rated refund of your service agreement fee, less any claims paid.

Does my homeowners insurance cover this?
Most basic homeowners insurance policies do not cover repair or replacement of the water service line. If you find you have similar coverage, you can contact HomeServe to cancel and you will receive a pro-rated refund of your service agreement fee, less any claims paid.

What is included in this coverage?

What is included in this coverage?
You will be covered up to \$3,500 per service call, up to 2 calls per year, for the covered cost of repairing or replacing the broken or leaking exterior water service line from the property boundary to the foundation wall. This includes all service call charges, labor and materials for covered repairs, and basic restoration—so you'll have no bill to pay within the coverage limits.

Who is HomeServe?

Who is HomeServe?
HomeServe is an independent company providing emergency home repair services and protection solutions to homeowners across the U.S. If you would prefer not to receive solicitations from HomeServe, please call 1-888-300-4517.

Who is eligible for coverage?
A single-family residential homeowner may be eligible. Mobile homes, recreational vehicles, multi-unit dwellings and properties used for commercial purposes are not eligible for coverage.

How long is my contract?

How long is my contract?
Your coverage is based on an annual contract. For E-2 Pay, credit card or debit card customers; regardless of the payment frequency you select, your contract will be renewed annually on the same payment terms selected, at the then-current price, so that there is no risk of it expiring or losing your benefits. Your coverage will remain in effect unless you call to discontinue.

What quality of repair can I expect?

What quality of repair can I expect?
A local, licensed and insured contractor will be responsible for handling your covered emergency. Repairs are guaranteed against defects in materials and workmanship for one year.

A local, licensed and insured contractor will be responsible for handling your covered emergency. Repairs are guaranteed against defects in materials and workmanship for one year.

Important Coverage Details: Coverage is for the repair of an emergency breakdown of the exterior water service line on your property, from the foundation to the property line, caused by normal wear and tear, not due to accident or negligence. Eligible properties include single-family residential homes that remain occupied without a 30-consecutive-day absence. Coverage may be cancelled within 30 days of the effective date for a full refund; all other cancellations will result in a pro-rata refund less any claims paid. To see full Terms and Conditions with complete coverage and exclusion details prior to enrolling call 1-888-300-4513 or go to www.NIplans.com.

1990-1991

ACCEPTANCE FORM

Please correct address information below, if necessary, before submitting.

Karen Sasic
1001 HomeServe Ave
40 Complete Coverage
Anytown, NV 12345

AFFIX LABEL HERE

PHONE

E-MAIL

RECORD LOCATOR: 1310SU1ZNAHVU-C09S
Please Complete Section A, B or C

A. E-Z PAY

What Is E-Z Pay? It works just like a check but without the hassle of writing and mailing a check on a regular basis. With E-Z Pay:
1. You Have Continuous Coverage—your coverage will be automatically renewed annually at the then-current rate unless you cancel so there's no risk of your coverage expiring.

2. You Have a 30-Day Money-Back Guarantee—if in the first 30 days of coverage you change your mind or find you have similar coverage, you can cancel and receive a full refund.
3. You Stay In Control—you choose your payment frequency and HomeServe will take care of the rest.

How It Works—Send a check payable to HomeServe for your first payment and HomeServe will automatically charge all future payments at the frequency specified to your checking account.

I have enclosed a check for my first payment of:

- ☐ \$5.75 \$2.99 per month
☐ \$12.77 \$6.97 per quarter
☐ \$22.86 \$35.68 per year

I authorize HomeServe to charge my account for Water Service Line Coverage at the frequency specified above and my financial institution to debit these payments from the account provided. I understand that, regardless of the payment frequency I select, my coverage is based on an annual contract and will be renewed annually on the same payment terms selected at the then-current price. I have the option to cancel this contract at any time without additional cost to me by calling 1-888-300-4513. I confirm that I have read the information in this package and meet the eligibility requirements for this optional coverage.
PLEASE MAKE PAYABLE TO HOMESERVE

XXXXXXXXXXXX 1310SU1ZNAHVU-C09S

Signature (required)

ACCEPTANCE FORM

B. CREDIT/DEBIT CARD

Please indicate whether you'd like to pay monthly, quarterly or yearly, complete the details and return this form in the postage-paid envelope provided.

- ☐ I authorize HomeServe to automatically charge my first and all future payments to my credit/debit card. I understand that, regardless of the payment frequency I select, my optional coverage is based on an annual contract and will be renewed annually on the same payment terms selected at the then-current price. I have the option to cancel this contract at any time without additional cost to me by calling 1-866-300-4513. I confirm that I have read the information in this package and meet the eligibility requirements.

Yes, please sign me up for Water Service Line Coverage from HomeServe and charge my credit/debit card for:

- ☐ \$5.99 \$2.99 per month
☐ \$17.97 \$8.97 per quarter
☐ \$21.66 \$35.86 per year

Expiration Date: ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Card Number:

☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐

Signature (required)

C. ONE-TIME CHECK OR MONEY ORDER

- ☐ I have enclosed my check or money order for my payment of \$35.86 for Water Service Line Coverage. I confirm that I have read the information in this package and meet the eligibility requirements.

Please send your check or money order in the amount of \$35.86 together with this completed form in the postage-paid envelope provided. Please be sure to sign and date your check or money order for this optional coverage before mailing. PLEASE MAKE PAYABLE TO HOMESERVE

Signature (required)